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Senate moves to keep Michigan's job market competitive

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LANSING – The Michigan Senate today voted to prevent local governments from passing ordinances that chase jobs from their communities, announced Sen. Nancy Cassis, R-Novi.

"At a time when we are fighting for every Michigan job, we can ill afford to impose restrictions that make Michigan's job market less competitive," Cassis said. "Well-meaning communities that impose living wage policies do more harm than good to the economy and Michigan's workforce."

House Bill 4160 would ban local governments from imposing higher wage mandates on businesses seeking development assistance or businesses that were simply located within the city limits. Local governments could still require contractors directly providing services to the municipality to pay a "living wage" if they wish.

"By pre-empting local 'living wage' laws, Michigan can take an important step in clearing away another obstacle to job creation and economic growth," Cassis said.

Cassis said these ordinances also may lead to more urban sprawl as companies set up shop in greenspaces rather than in existing cities.

Thirteen Michigan municipalities currently have "living wage" ordinances for businesses that contract with or receive financial assistance from them. Testimony from business groups has indicated that the ordinances in place are pushing jobs out of the cities that are adopting them. The bill will not affect ordinances already in place.

The bill now returns to the House for concurrence.

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